

§211.31

Federal Programs and Services Agreement, implementing section 221(a)(5) of the Compact of Free Association between the United States and those governments, apply for authority as “Freely Associated State Air Carriers.” The permit application for such authority shall be labeled on the front page, “Application for Freely Associated State Foreign Air Carrier Permit.”

§211.31 Application.

The application shall include, in addition to other requirements of this part, documentation clearly establishing:

- (a) That the carrier is organized under the laws of the Federated States of Micronesia, the Marshall Islands, Palau or the United States;
- (b) That substantial ownership and effective control of the carrier are held by citizens of the Federated States of Micronesia, the Marshall Islands, Palau and/or the United States;
- (c) That citizens of other countries do not have interests in the carrier sufficient to permit them substantially to influence its actions, or that substantial justification exists for a temporary waiver of this requirement;
- (d) That the Administrator of the Federal Aviation Administration has determined that the carrier complies with such safety standards as the Administrator considers to be required.
- (e) That the government or governments of the Freely Associated States concerned have consented to the carrier's operation as a “Freely Associated State Air Carrier.”

§211.32 Issuance of permit.

If the Department is satisfied that the applicant meets the requirements of §211.31 (a) through (e), and that grant of all or part of the requested authority would otherwise be in the public interest, the Department may, subject to Presidential review under section 801(a) of the Federal Aviation Act, issue a “Freely Associated State Foreign Air Carrier Permit” to the applicant, including such terms, conditions or limitations as the Department may find to be in the public interest.

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§211.33 Interstate and interstate authority.

(a) An application under this subpart may include a request, in addition to other foreign air transportation, for authority to engage in interstate air transportation between Guam, the Commonwealth of the Northern Mariana Islands and Honolulu, Hawaii, and interstate air transportation within the Commonwealth of the Northern Mariana Islands. A request for all or part of such limited interstate air transportation authority shall be supported by documentation establishing:

- (1) The impact of such interstate air transportation services on the economic projections of the carrier's proposed operations;
- (2) The need for such proposed interstate air transportation by the affected U.S. points;
- (3) The economic impact of such interstate air transportation on services provided by other carriers providing essential air transportation services to eligible Freely Associated State points within the scope of part 272 of this chapter.

(b) The Department may grant a Freely Associated State Air Carrier authority to engage in all or part of the interstate air transportation requested in paragraph (a) of this section provided that the Department finds:

- (1) That grant of such interstate air transportation authority would be in furtherance of the objectives of the Compact of Free Association and related agreements between the United States and the Freely Associated States, and would otherwise be in the public interest; and
- (2) That grant of such interstate air transportation authority would not significantly impair the economic viability of existing services providing essential air transportation to any eligible Freely Associated State point within the scope of part 272 of this chapter, or significantly increase compensation that may be required to maintain any such essential air transportation.

(c) The Department may, at any time, subject to Presidential review under section 41307, suspend, modify, or revoke such interstate authority if it